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VILLAGE OF HEPLIN, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-5-01

VILLAGE OF REFLIN, LOUISIANA
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INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

The Honorable Stewart Beatty, Mayor,
and the Members of the Board of Aldermen
Village of Heflin, Louisiana

We have audited the accompanying general-purpose financial statements of the Village of Heflin, Louisiana, as of and for the year ended December 31, 2008, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Village of Heflin, Louisiana's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material aspects, the financial position of the Village of Heflin, Louisiana, as of December 31, 2008, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 4, 2009 on our consideration of the Village of Heflin, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report

is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Village of Heflin, Louisiana, taken as a whole. The accompanying schedule of grant activity listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the Village of Heflin, Louisiana. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.



Minster, Louisiana

June 4, 2001

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Stewart Darity, Mayor,
and the Members of the Board of Aldermen
Village of Heflin, Louisiana

We have audited the financial statements of the Village of Heflin, Louisiana, as of and for the year ended December 31, 2008, we have conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Village of Heflin, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questionnaires as item 08-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Heflin, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited.

may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Minot, Louisiana

June 4, 2003

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Steven Beatty, Mayor,
and the Members of the Board of Aldermen
Village of Heflin, Louisiana

Compliance

We have audited the compliance of the Village of Heflin, Louisiana, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Requirements* that are applicable to each of its major federal programs for the year ended December 31, 2010. The Village of Heflin, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Village of Heflin, Louisiana's management. Our responsibility is to express an opinion on the Village of Heflin, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Heflin, Louisiana's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Village of Heflin, Louisiana's compliance with these requirements.

In our opinion the Village of Heflin, Louisiana complied, in all material respects, with the requirements

referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the Village of Houma, Louisiana, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Village of Houma, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be a material weakness. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana, and federal funding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Minden, Louisiana

June 4, 2011

**GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)**

VILLAGE OF REPLEY, LOUISIANA

**Financial Position Sheet - All Fund Types and Account Groups
December 31, 2000**

	<u>Governmental Fund Types</u>		<u>Proprietary Fund</u>	<u>Account Group</u>	<u>Funds (Interconnection Only)</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Capital Fund Assets</u>	
Assets					
Cash	\$ 23,000	45	11,290	-	34,294
Receivables					
Water customers	-	-	3,800	-	3,800
Sewerfe recipients	-	-	-	-	-
Receivable assets - cash	-	-	34,890	-	34,890
Land	-	-	-	5,150	5,150
Buildings	-	-	-	404,600	404,600
Improvements other than buildings	-	-	-	400	400
Equipment	-	-	-	11,290	11,290
Enterprise fund property, plant and equipment	-	-	915,000	-	915,000
Accumulated depreciation	-	-	(135,410)	-	(135,410)
Total assets	\$ 23,000	45	479,880	421,040	1,001,824
Liabilities and Fund Equity					
Liabilities					
Accounts payable	\$ -	-	500	-	500
Payable from unrelated assets -					
Water deposits	-	-	3,870	-	3,870
Sewer payable current period	-	-	3,110	-	3,110
Water payable	-	-	5,000	-	5,000
Total liabilities	-	-	12,480	-	11,380
Fund equity					
Contributed equity	-	-	644,330	-	644,330
Reversioned in prior fund periods	-	-	-	421,000	421,000
Retained earnings -					
General	-	-	34,870	-	34,870
Unreserved	-	-	31,620	-	31,620
Fund balance - unreserved - undesignated	23,000	45	-	-	23,045
Total fund equity	23,000	45	670,720	421,000	1,081,765
Total liabilities and fund equity	\$ 23,000	45	683,200	421,000	1,081,824

The accompanying notes to financial statements are an integral part of this statement.

VILLAGE OF HIGHLAND, LOUISIANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types Year Ended December 31, 2009

	General Fund	Capital Projects	Totals (Nonmonetary Only)
Revenues:			
Occupational licenses	\$ 11,440	-	11,440
Utility and franchise taxes	5,031	-	5,031
Intergovernmental-			
Tuition fees	1,826	-	1,826
State grants	-	-	-
Federal grants	1,850	362,927	364,777
Miscellaneous:			
Civil justice credits	1,425	-	1,425
Recreation	1,587	-	1,587
Miscellaneous	38	-	38
Interest income	43	-	43
Total revenues	28,130	362,927	391,057
Expenditures:			
General government:			
Utilities	6,448	-	6,448
Sanitation and landscaping	1,800	-	1,800
Office supplies	218	-	218
Advertising	294	-	294
Legal and accounting	1,736	-	1,736
Insurance	738	-	738
Supplies	306	-	306
Travel and subscriptions	340	-	340
Repairs and maintenance	8,647	-	8,647
Recreation supplies	1,587	-	1,587
Community expense	111	-	111
Taxes	147	-	147
Public safety - police	880	-	880
Capital expenditures	-	362,927	362,927
Total expenditures	21,824	362,927	384,751
Excess of revenues over expenditures	6,306	-	6,306
Fund balance, beginning of year	11,360	45	11,405
Fund balance, end of year	\$ 17,666	\$ 45	\$ 17,711

The accompanying notes to financial statements are an integral part of this statement.

VE LANE OF HOUDE, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget/Actual/Encumbrance

Year Ended December 31, 2000

	Budget	Actual	Variance Favorable (if favorable)
Revenues:			
Organizational Revenues	\$ 14,000	14,473	1,400
Utility and franchise fees	5,500	4,834	504
Intergovernmental -			
Taxes/fees	1,000	1,000	(000)
State grants	-	-	-
Federal grants	500	1,000	500
Miscellaneous:			
Civic center rentals	5,000	1,424	(3,576)
Donations	-	1,500	1,500
Miscellaneous	-	10	10
Interest income	200	65	(135)
Total revenues	31,200	28,476	(2,724)
Expenditures:			
General government			
Utilities	5,000	4,448	(552)
Insurance and bond/keeping	1,000	1,000	-
Office supplies	500	310	(190)
Advertising	500	501	(001)
Legal and accounting	15	1,500	(1,500)
Insurance	500	500	(000)
Supplies	500	280	(220)
Post and subscriptions	500	280	(220)
Repairs and maintenance	10,000	8,000	(2,000)
Information Systems	-	1,000	(1,000)
Director's expenses	-	100	(100)
Travel	-	200	(200)
Public safety - police	400	400	(000)
Capital expenditures	-	-	-
Total expenditures	31,000	28,828	(2,172)
Excess of revenues over expenditures	2,000	(352)	1,200
Fund balance, beginning of year	10,700	22,000	11,300
Fund balance, end of year	12,700	21,648	(9,000)

The accompanying notes to financial statements are an integral part of this statement.

VILLAGES OF HIGHLAND, LOUISIANA

Statement of Revenues, Expenses and Changes in Retained Earnings

Proprietary Fund Type - Enterprise Fund - Water System

Year Ended December 31, 2020

Operating revenues:	
Water	\$ 24,854
Installation fees	880
Total operating revenues	<u>25,734</u>
Operating expenses:	
Water hauling and selling	9,029
Electricity	4,926
Line supplies and repairs	3,255
Office supplies	1,628
Accounting	1,215
Insurance	1,293
Depreciation	17,986
Taxes	1,129
Chemicals	589
Other	682
Total operating expenses	<u>41,693</u>
Operating income/(loss)	<u>(15,959)</u>
Non-operating revenues/(expenses):	
Interest income	963
Interest expense	<u>(3,000)</u>
Total non-operating revenues/(expenses)	<u>403</u>
Net income	<u>(15,556)</u>
Retained earnings at beginning of year	21,009
(Increase)/decrease in income	<u>35</u>
Retained earnings at end of year	<u>\$ 21,528</u>

The accompanying notes to financial statements are an integral part of this statement

VILLAGE OF HEPBURN, LOUISIANA

Statement of Cash Flows
Proprietary Fund Type - Enterprise Fund - Water System
Year Ended December 31, 2009

Cash flows from operating activities:	
Cash received from customers	\$ 36,344
Cash payments for supplies and services	(24,133)
Other operating revenues	-
Net cash used by operating activities	<u>11,779</u>
Cash flows from noncapital financing activities:	
Net increase in master deposits	175
Net cash provided by noncapital financing activities	<u>175</u>
Cash flows from capital and related financing activities:	
Principal paid on long-term debt	(2,000)
Interest paid on long-term debt	(333)
Acquisition of property, plant and equipment	(1,000)
Net cash used for capital and related financing activities	<u>(4,000)</u>
Cash flows from investing activities:	
Interest on interest-bearing deposits	955
Net increase in cash and cash equivalents	7,955
Cash and cash equivalents at beginning of year	<u>28,346</u>
Cash and cash equivalents at end of year	<u>\$ 36,371</u>
Reconciliation of operating income to net cash used by operating activities:	
Operating loss	\$ (5,405)
Adjustments to reconcile operating income to net cash used by operating activities:	
Depreciation	17,986
Changes in assets and liabilities:	
(Increase)/decrease in accounts receivable	(551)
Increase/(decrease) in sales tax payable	(501)
Net cash used by operating activities	<u>\$ 11,779</u>

The accompanying notes to financial statements are an integral part of this statement.

VILLAGE OF HELLIN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

INTRODUCTION

The Village of Hellin, Louisiana (the Village) was incorporated under the provisions of the Louisiana Act. The Village is located in the Parish of Vidéon, being in the northwest corner of the State. The Village operates under a Mayor-Board of Aldermen form of government.

1. Summary of significant accounting policies

- A. *Basis of presentation* - The accounting and reporting policies of the Village conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:507 and to the guidelines set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry work guide, *Audit of State and Local Governmental Units*.
- B. *Reporting entity* - GASB Statement No. 14 established criteria for determining the governmental reporting entity. For financial reporting purposes, in conformance with GASB 14, the Village of Hellin includes all funds, account groups, or areas, that are within the financial accountability of the Village. Certain units of local government over which the Village exercises no financial accountability are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and have financial statements separate from those of the Village of Hellin.
- C. *Fund accounting* - The accounts of the Village of Hellin are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two categories which, in turn, are divided into "fund types," as follows:

Governmental Funds

Governmental funds are used to account for all or most of the Village's general activities, including the

VILLAGE OF HOPLIN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

General Fund - The General Fund is the general operating fund of the Village. It is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specific purposes.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financial and operated in a manner similar to private business enterprises where the intent of the Village is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Enterprise Fund of the Village consists of a water system which provides water services both within and outside the boundaries of the Village.

- D. *Basis of accounting* - Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the

VILLAGE OF KEPLIN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

timing of the measurement made, regardless of the measurement basis applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Most revenues are recorded when cash is received. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary-collecting governments and are recognized as revenue at that time. Federal and state grants are expenditure-driven and revenues are recognized when the grant expenditures are incurred.

With the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except that principal and interest on general long-term debt is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when incurred.

E. *Budgetary and budgetary accounting* - The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

- a) The Village clerk prepares a proposed budget and submits same to the Mayor and the Board of Aldermen no less than fifteen days prior to the beginning of each fiscal year.
- b) The public is notified that the proposed budget is available for public inspection. At that time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases or decreases in expenditures resulting from revenues exceeding or falling to most amounts estimated require the approval of the Board of Aldermen.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts, as originally adopted, are awarded from

VILLAGE OF HELLIP, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

time to time by the Board of Aldermen. Such amendments are not material in relation to the original appropriations. Budget comparisons are not presented for the following capital projects funds due to the reclassification of those funds for the purposes authorized by the underlying grants:

1999 Louisiana Community Development Block Grant (LCDBG)

- F. *Encumbrances* - The Village does not employ encumbrance accounting in the governmental funds. Management does not believe that the use of encumbrance accounting would serve any significant benefit for budgetary purposes.

- G. *Cash and cash equivalents* - Cash and cash equivalents includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Under state law, the City may deposit funds in demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and not local banks having their principal offices in Louisiana.

For purposes of the statements of cash flows, cash and cash equivalents include cash, demand deposits, and certificates of deposit. Cash and cash equivalents are stated at cost.

- H. *Accounts receivable* - The City considers substantially all customers' utility receivables and other receivables to be fully collectible; accordingly, an allowance for doubtful accounts is not required. If amounts become uncollectible, in the opinion of management, they are charged to operations at that time.

- I. *Fixed assets* - Fixed assets used in governmental fund-type operations (general fixed assets) are capitalized in the General Fixed Assets Account Group, and recorded as expenditures in the governmental fund-type when purchased. The Village has not capitalized all public domain (infrastructure) fixed assets. All fixed assets are valued at historical cost or estimated cost if actual historical cost is not available.

Depreciation of all depreciable fixed assets used by proprietary funds is charged to an expense against their operations. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method.

- J. *Fixed capital* - Contributed capital is recorded in the Enterprise Fund for capital gains realized for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

VILLAGE OF HIGHLAND, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use.

Designated fund balances represent tentative plans for future use of financial resources.

K. Total columns in combined statements - Total columns on combined statements are captioned "Information Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Inherent eliminations have not been made in the aggregation of this data.

2. Cash and cash equivalents

At December 31, 2000, the Village had cash and cash equivalents with bank balances totaling \$34,638 as follows:

Demand deposits	\$	16,515
Interest-bearing deposits		9
Certificates of deposit		43,158
Total	\$	62,682

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times at least equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2000, the Village had \$62,682 in deposits of collateral bank balances. These deposits were secured entirely.

3. Accounts receivable - water customers

Accounts receivable - water customers are analyzed periodically and accounts considered to be uncollectible are charged off. At December 31, 2000, there were 179 metered water customers. Aging of the accounts receivable at December 31, 2000, is as follows:

VILLAGE OF HEPLER, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2008

Days	Amount
0-30	\$2,432
31-60	492
61-90	1
Over 90	—0
	\$2,925

4. Fixed assets

A summary of changes in general fixed assets follows:

	Balance January 1, 2008	Additions	Deletions	Balance December 31, 2008
Land	\$ 4,150	-	-	4,150
Buildings	39,428	369,227	-	438,655
Equipment	31,740	-	-	31,740
Construction in Progress	4,500	-	4,500	0
Improvements other than buildings	—458	—	—	—458
Total general fixed assets	\$ 94,068	\$369,227	\$4,500	\$458,795

The following is a summary of property, plant and equipment, with related depreciation, for the year ended December 31, 2008:

Description	Balance 12/31/07	Cost		Weighted Depreciation Rate	Accumulated Depreciation		
		Additions	Balance 12/31/08		Balance 12/31/07	Depreciation This Year	Balance 12/31/08
Water System	\$711,470	1,000	\$712,470	1.0% & 4%	\$4,940	\$7,334	\$12,274
Pump	—4,000	—	—4,000	4%	—330	—160	—490
	\$64,800	4,000	\$68,800		\$8,270	\$7,174	\$15,444

VILLAGE OF HOULIN, LOUISIANA
NOTE TO FINANCIAL STATEMENTS
December 31, 2000

8. Note payable - Enterprise Fund - Water System

The following is a summary of changes in the note payable for the year ended December 31, 2000:

Note payable, January 1, 1999	\$ 15,479
Principal payments	\$ (2,800)
Note payable, December 31, 2000	\$ 12,679

The note payable of the Water System at December 31, 2000, consisted of:

	Current maturity	Long- term	Total
5.34% note payable; due in monthly installments of \$281.12, (including interest, secured by a mortgage on the Water System to GMAC Commercial Mortgage	\$ 2,111	\$ 680	\$ 2,791

The annual requirements to service all debt outstanding as of December 31, 2000, including interest payments of \$250, are as follows:

Year Ending December 31	
2000	\$ 494
2001	\$ 494
2002	\$ 494
2003	\$ 502
	\$ 1,984

9. Fund all funds, restrictions on use - Enterprise Fund (Water System)

Under the terms of the Indenture to GMAC Commercial Mortgage, the Village of Houlin shall set aside into the "Waterworks Revenues Fund" all gross income and revenues. Moneys deposited therein shall be expended and used only in the manner and order as follows:

- (a) Each month, there will be set aside into an account called the "Debt Service Account" an amount constituting 1/12 of the annual installments becoming due on the next succeeding January 1. Whenever amounts in excess of the requirements accumulate, they may be used by the Village to make prepayments on the loan.

VILLAGE OF HEPLIN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2008

- (b) There shall also be set aside each month a sufficient portion of income and revenue to pay all reasonable and necessary current expenses of operating and maintaining the waterworks for the current month.
- (c) Each month, the sum of \$50 is to be set aside into the "Reserve Account" until there is accumulated \$1,500 in excess of money deposits, after which no further deposits need to be made except to replace withdrawals. All cash deposits for connections not needed in construction shall be deposited in the Reserve Account and shall be in addition to the same required by the foregoing sentence. Money in this account shall be used only for paying the cost of repairing or replacing any damage to the System which may be caused by any unforeseen circumstances, for making extensions or improvements to the System, and when necessary, for the purpose of making payments of principal and interest in the event the amount in the Debt Service Account is insufficient. Any funds may be invested in time deposits, savings accounts or obligations of the U. S. Government which may be readily converted to cash, and income therefrom will always remain a part of the Reserve Fund.
- (d) Subject to the foregoing, which are cumulative, any balance remaining in the Waterworks Revenue Fund shall be used for the purpose of paying, on call bond and/or note or for any other lawful purpose.

7. Net working capital - Enterprise fund

The following shows the net working capital for the Enterprise Fund - Utilities Fund at December 31, 2008:

Total current assets	\$ 18,000
Total current liabilities	(2,487)
Net working capital	\$ 15,513

8. Intergovernmental revenues

The Village periodically receives various grants and entitlements from Federal and State governmental units. These funds are used to finance various activities beneficial to the community. Grants normally specify what the funds may be used for and are audited annually under the Single Audit Approach as provided by Circular A-133 of the Office of Management and Budget.

During the year ended December 31, 2008, the following amounts of grants and entitlements are recorded in the accompanying financial statements:

VILLAGE OF HESLIN, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2000

Capital Projects fund:

Louisiana Community Development Block Grant	\$ 262,512
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Board members, along with the mayor receive no per diem or other compensation for their advisory or other services rendered as elected leaders.

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF HEPLIN, LOUISIANA

Schedule of Grant Activity - FY 1999 Louisiana Community Development Block Grant Period Ended December 31, 2000

	11/99 through 12/31/99	11/00 through 12/31/00	Total
Revenues:			
Federal LCDBG revenues	\$ -	362,927.25	362,927.25
Expenditures:			
Public Works, Facilities, Site Improvements -			
Water (Flood Protection)	-	302,134.02	302,134.02
Administration -			
Other	-	30,800.23	30,800.23
Total expenditures	-	362,927.25	362,927.25
Excess Revenues (Expenditures)	\$ -	-	-

VILLAGE OF HEFLIN, LOUISIANA

SCHEDULE OF FINANCES AND QUESTIONED COSTS

Year Ended December 31, 2008

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses a *unqualified opinion* on the general purpose financial statements of the Village of Heflin, Louisiana as of and for the year ended December 31, 2008.
2. No reportable conditions relating to the audit of the general purpose financial statements were disclosed during the audit.
3. No instances of noncompliance material to the general purpose financial statements of the Village of Heflin, Louisiana were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs were disclosed during the audit.
5. The auditors' report on compliance for the major federal award programs for the Village of Heflin, Louisiana expresses an *unqualified opinion*.
6. No audit findings relative to the major federal award programs for the Village of Heflin, Louisiana are reported in this schedule.
7. The Village of Heflin, Louisiana had one major program consisting of the FY 1999 Louisiana Community Development Block Grant (LCDBG).
8. The threshold for distinguishing Types A and B programs was \$200,000.
9. Village of Heflin, Louisiana was determined to be a low-risk auditee.

VILLAGE OF HEFLIN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended December 31, 2008

B. FINDINGS - FINANCIAL STATEMENT AUDIT

Basis

Criteria: The "Louisiana Local Government Budget Act (LSA-RS 39:1301-34)" sets forth certain requirements for the formal adoption of a budget for the General Fund and all special revenue funds.

Condition: Although a budget was prepared for the General Fund for the year ending December 31, 2008, the budget was not adopted within the permissible time frame and amendments to maintain the actual expenditures within a 1% variance of budgeted expenditures were not adopted.

Recommendation: The officials of the Village of Heflin should review the "Louisiana Local Government Budget Act (LSA-RS 39:1301-14)" and the requirements for adoption of the budget(s) should be followed.

C. FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

The results of our auditing procedures of the general purpose financial statements as of and for the year ended December 31, 2008, of the Village of Heflin, Louisiana, disclosed no items that are required to be reported in accordance with OMB Circular A-133.

VILLAGE OF HEFLIN, LOUISIANA

CORRECTIVE ACTION PLAN

December 31, 2000

The Village of Heflin, Louisiana initiates the following correction action plan for the year ended December 31, 2000 for the Schedule of Findings and Questioned Costs.

Findings related to financial statements which are required to be reported in accordance with GASBS:

Finding 86.1 - Budget Requirements

Recommendation: The officials of the Village of Heflin should review the "Louisiana Local Government Budget Act (LSA-RS 38:3181-14)" and the requirements for adoption of the budget(s) should be followed.

Action Taken: The appropriate officials of the Village of Heflin, Louisiana will review the "Louisiana Local Government Budget Act." The requirements contained in the Act will be followed and the required budget(s) will be appropriately adopted.

VILLAGE OF BRIFLIN, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

December 31, 2080

Prior Audit Findings Related to Federal Awards

There were no prior audit findings relative to federal awards reported.

Prior Audit Findings Related to Financial Statements

There were no prior audit findings relative to financial statements.

VILLAGE OF HIGHLAND, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2008

Federal Grantor/Pass Through Government/Program Title	Federal CFDA#	Cost Share	Program or Award Amount	Revenues Reimposed	Expenditures
Department of Housing & Urban Development Passed through the State of Louisiana - Division of Administration					
LA Community Development Block Grant - FY 1999	14.218	187,998.71	\$ 182,907	\$ 182,907	\$ 182,907
Total Federal Assistance				\$ 182,907	\$ 182,907